

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH SHELBY WATER) CASE NO. 2012-00206
COMPANY)

ORDER

On May 24, 2011, North Shelby Water Company ("North Shelby") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. North Shelby purchases water from Louisville Water Company ("Louisville"), Shelbyville Municipal Water and Sewer Commission ("Shelbyville"), Frankfort Electric and Water Plant Board ("Frankfort"), and West Shelby Water District ("West Shelby").

2. Louisville notified North Shelby that, effective July 1, 2012, its volumetric wholesale rate to North Shelby would increase from \$1.87 per 1,000 gallons to \$1.99 per 1,000 gallons and its meter charge for its four meters would increase from \$482.32 per month to \$541.80 per month.

3. North Shelby proposes a purchased water adjustment factor of \$0.10 per 1,000 gallons.

4. During the 12 months ending April 30, 2012, North Shelby purchased 282,380,000 gallons of water from Louisville; 1,651,592 gallons of water from

¹ KRS 278.012; 807 KAR 5:068.

Shelbyville; 155,629,000 gallons of water from Frankfort; no water from West Shelby; and sold 364,989,100 gallons. As a result of the increase in Louisville's wholesale rate, North Shelby's cost of purchased water will increase \$34,599.36, resulting in a purchased water adjustment factor of \$0.10 per 1,000 gallons.

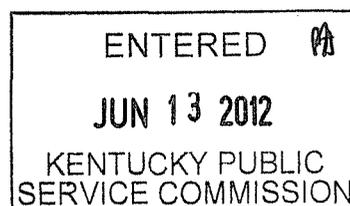
5. The purchased water adjustment factor of \$0.10 per 1,000 gallons is fair, just, and reasonable and should be approved.

6. The rates set forth in Appendix B are fair, just, and reasonable and should be assessed for water service that North Shelby renders on and after July 1, 2012.

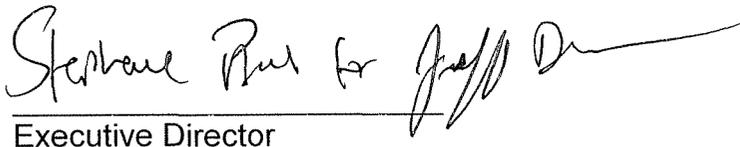
IT IS THEREFORE ORDERED that:

1. North Shelby's proposed rates are approved.
2. The purchased water adjustment factor of \$0.10 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for services that North Shelby renders on or after July 1, 2012.
4. North Shelby's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00206 DATED **JUN 13 2012**

	New Rate	Base Rate
Louisville		
Purchases in gallons	282,380,000	282,380,000
Volumetric rate	<u>\$ 1.99 /1,000</u>	<u>\$ 1.87/1,000</u>
	\$ 561,936.20	\$528,050.60
Meter Charge Four Meters x 12 Months	\$541.80 <u> x12</u>	\$482.32 <u> x12</u>
	\$6,501.60	\$5,787.84
Total	\$568,437.80	\$533,838.44
	Increased water cost	\$34,599.36
Shelbyville		
Purchases in gallons	1,651,592	1,651,592
Volumetric rate	<u>No Change</u>	<u>No Change</u>
	\$561,936.20	\$528,050.60
Frankfort		
Purchases in gallons	155,629,000	155,629,000
Volumetric rate	<u>No Change</u>	<u>No Change</u>
	\$561,936.20	\$528,050.60
West Shelby		
Purchases in gallons	0	0
Volumetric rate	<u>No Change</u>	<u>No Change</u>
	\$561,936.20	\$528,050.60
Increased water cost	\$ 34,599.36	
Divided by gallons sold/1,000	<u>364,989,100</u>	
Purchased water adjustment factor	\$0.09479 per 1,000 gallons or \$0.10	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00206 DATED **JUN 13 2012**

The following rates and charges are prescribed for the customers in the area served by North Shelby Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" x 3/4" Meter

First	2,000 gallons	\$15.49	Minimum Bill
Next	3,000 gallons	6.36	per 1,000 gallons
Next	5,000 gallons	4.98	per 1,000 gallons
Next	40,000 gallons	4.29	per 1,000 gallons
Over	50,000 gallons	3.61	per 1,000 gallons

1" Meter

First	5,000 gallons	\$34.57	Minimum Bill
Next	5,000 gallons	4.98	per 1,000 gallons
Next	40,000 gallons	4.29	per 1,000 gallons
Over	50,000 gallons	3.61	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$59.47	Minimum Bill
Next	40,000 gallons	4.29	per 1,000 gallons
Over	50,000 gallons	3.61	per 1,000 gallons

2" Meter

First	15,000 gallons	\$80.92	Minimum Bill
Next	35,000 gallons	4.29	per 1,000 gallons
Over	50,000 gallons	3.61	per 1,000 gallons

3" Meter

First	35,000 gallons	\$166.72	Minimum Bill
Next	15,000 gallons	4.29	per 1,000 gallons
Over	50,000 gallons	3.61	per 1,000 gallons

Jerry Ruble
President
North Shelby Water Company
4596 Bagdad Road
P. O. Box 97
Bagdad, KY 40003